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**PUBLIC ADVOCATE ADVISORY**

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**Attorney General Weighs-in on Proposed, Local Telephone Subscriber Fee:**

**Advocates consumer outreach, input and pass-through to Alaska rate payers**

(Juneau) - Attorney General Gregg Renkes, in his role as Public Advocate before the Regulatory Commission of Alaska ("RCA"), submitted his comments and recommendations to the Commission regarding a proposal currently under debate to reform the telephone access charge system. This is the first time that the Attorney General has addressed a consumer issue in a rulemaking proceeding before the RCA.

In the docket, R-01-1, the RCA is considering a proposal to amend state regulations to reduce in-state access charges by shifting payment of those costs from the long-distance carriers to a new "network access fee" to be paid by local telephone ratepayers. Access charges are the fees historically paid by long distance companies to local telephone companies for use of the local loop to originate and terminate long-distance calls.

"After reviewing the proposed changes I became concerned about the fact that Alaskan ratepayers would get their phone bill and discover that they would be required to pay up to an additional three-dollars a month for network access," said Renkes. "In situations such as this it seems to me that additional consumer outreach and input should occur regarding such a proposed rate increase. I believe that some equivalent benefit should be passed on to rate payers to offset their overall monthly charge."

In Comments submitted by the Regulatory Affairs & Public Advocacy section of the attorney general's office, the public advocate made the following points to the commission that:

1. There is no statutory bar to proceed with access charge reform
2. The Commission should conduct consumer outreach and education about the current proposal and seek consumer input

## More ##

(Subscriber Fee PAA, con't.)

3. The Commission should require a “pass-through” to ratepayers in the form of long distance call reductions equal to the amount of any new required access fee
4. Absent a mandatory pass-through, ratepayers would likely be short-changed by the proposed, new local network access fee and the public interest in the outcome of access charge reform would be compromised.

The deadline for final reply comments by the parties to this proceeding was August 30<sup>th</sup>. The Commission has the discretion to consider the Public Advocate’s recommendations in making its determination.

The submission of these comments marks the first time that the attorney general has addressed a consumer issue in a rulemaking capacity before the RCA.

Over a year ago Governor Frank H. Murkowski signed Executive Order 111 establishing in the Office of Attorney General the authority to intervene in statewide utility issues on behalf of Alaska citizens. Last legislative session Senate Bill 392 was passed that provided the attorney general’s office with the funding and legal tools necessary for him to carry out his duties as public advocate in matters brought before the RCA.

For more information on the Attorney General’s role as Public Advocate please go online to: <http://www.law.state.ak.us/departments/civil/rapa/rapa.html>.

Additional information regarding the proposed regulation changes is available on the RCA website at: <http://www.state.ak.us/rca/ProposedRegs/R01001/>.

For additional information on this topic please contact Chief Assistant Attorney General for Regulatory Affairs & Public Advocacy Section Daniel Patrick O’Tierney at (907) 269-5200.

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